

# AMROBA® inc

ADVOCATE OF THE AVIATION MRO INDUSTRY

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*Saturday 20th April, 2013, 1.00 pm  
Coopers Colonial Motel — Acacia Ridge*

Small businesses in the aviation industry are questioning where they will stand in the future of this country. It appears that the aviation Regulator is determined to bury them in red tape and resource intensive paper-trail audits that affect the operating costs of small businesses. In addition, the cooperative openness between the Regulator and these small businesses are becoming more strained. To address these issues, small businesses are meeting at Acacia Ridge to find a solution to the risk to what was once a viable aviation industry.

So what are the problems facing these small businesses that are aviation specific?

Firstly, most complain about the changing relationship with CASA. The change in approach by CASA now seems to be about compliance by over pedantic CASA field staff of changing requirements. In some cases, small business owners have been disgusted in the attitude of some of these staff who obviously have never invested in running their own business. CASA enforcement no longer relates to safety but is all about the paper work not the intent of the legislation.

Whatever happened to the highly respected aviation Regulator of the past that worked with small businesses to improve safety? Industry today is reluctant to bring safety concerns to CASA because of their reaction.

Is the attitude change caused by the "language" of the Regulations where standards, supposedly based on ICAO SARPs, are subject to the criminal code. Does this subconsciously affect the mindset of CASA field staff?

Why are "standards" subjected to the criminal code instead of promulgation by CASA?

Secondly, most small businesses disagree with the current regulatory development based on EASRs. This not only includes the destruction of a workable AME licensing system that was designed for Australia, but lacks any regulatory proposal that will return independent flight instructors to rural Australia. Until these flight instructors return to rural Australia, the potential GA growth is being stymied by regulatory development based only on organisation approvals and not individuals.

The agreement that DPM John Anderson signed with NZ in Yr 2000 gave hope to GA that there would be little differences in the regulatory system between the two countries. Hope that was destroyed by Byron adopting EASRs contrary to the MoU.

Was Byron aware of the NZ MoU??

Lastly, since the creation of CAA/CASA in 1988, industry has seen ever changing structures and management, ranging from Boards to no Boards, with more CEOs than any small business in this industry. With every CEO there are changes in the direction, policy and operation of the Safety Regulator at great costs to industry.

Every CEO wants to put their fingerprint on the changes they make but all industry witnesses is increasing regulatory imposts; more meetings to attend to hear the latest proposals but never does the industry hear proposals that will reduce regulatory impost.

CASA, and its predecessor, has/had a poor reputation in change management.

Post the election, when a new CEO is appointed, the cycle will continue to the detriment of small business.

## Regulatory Trends—AMOs in USA

If you asked the person performing maintenance in a large AMO, it would not be surprising if the person does not know the regulations, even if the person is a LAME. Even in a small organisation, a person performing maintenance is focused on doing the maintenance iaw documented instructions using the skills learned during early training and enhanced during the person's career.

As long as the person can obtain replacement items when needed and the aircraft owner is supportive in maintaining their aircraft in an airworthy state then life is quite simple.

Nobody intentionally fits an item that would endanger an aircraft nor do they intentionally do maintenance that will leave the aircraft in an unsafe condition. The FARs address this better than our complex aviation Regulations .

*FAR43.13 (b) Each person maintaining or altering, or performing preventive maintenance, shall do that work in such a manner and use materials of such a quality, that the condition of the aircraft, airframe, aircraft engine, propeller, or appliance worked on will be at least equal to its original or properly altered condition (with regard to aerodynamic function, structural strength, resistance to vibration and deterioration, and other qualities affecting airworthiness).*

Most maintenance facilities would prefer legislation to enable aircraft to be maintained iaw the maintenance standards of the NAA responsible for the Type Certificate. i.e. If it is an US aircraft then it should be maintained to the FARs. If it is a European aircraft then it should be maintained iaw the NAA's responsible for the Type Design. e.g. Eurocopter 135 to French NAA requirements. Later European aircraft will be maintained to EASA requirements.

In the US, "a fixed-base operator (FBO) is a commercial business granted the right by an airport to operate on the airport and provide aeronautical services such as fuelling, hangaring, tie-down and parking, aircraft rental, aircraft maintenance, flight instruction, etc. In common practice, an FBO is a primary provider of support services to general aviation operators at a public-use airport either located on airport leasehold property or, in rare cases, adjacent to airport leasehold property as a through the fence operation."

Why can't the FAA system work in Australia?

Unless you intend to provide maintenance services to the future CASR Part 121 operators, then why wasn't this option considered by CASA for other than Part 121 operators. The US Department of Transport sets 'standards' that a FBO must comply with before the airport operator grants approval to the FBO to provide such services.

FBOs can provide maintenance services except where a FAR Part 121 operator uses a continuous airworthiness maintenance program (CAMP).

[Is it possible to have a passion for aviation and make a profit with FBO's?](#)

The following excerpts are from a US article.

'Normally, they provide line services for general aviation aircraft, Air taxi and Air charter operations, Scheduled or non-scheduled air carrier services & support service, Pilot training, Aircraft rental and sightseeing, Aircraft sales and service, Aircraft storage (tie-down or hangar), Repair and maintenance of aircraft, Sale of aircraft parts, Aerial photography, Crop dusting/aerial application, Aerial advertising and surveying.'

'Within the United States, the Federal Aviation Administration (FAA) regulates some activities that may also comprise an FBO such as the authorization of repair stations, flight training, and air taxi/air carrier services, but the overarching term "FBO" has no regulatory standards through the Federal Government. The United States Department of Transportation, in cooperation with the FAA has the duty of establishing minimum standards for commercial aeronautical activities and recommends implementation of these standards by the airport operator or agency (commonly referred to as the airport sponsor).'

[Can FBOs survive in today's economy?](#)

Of course, flight training and heavy aircraft utilisation means the maintenance shop will do well, and fuel sales will be consistent also. In addition, you will always have spill over into a charter, and the opportunity to sell the client an airplane is right there in front of you, so make sure you take care of the customer at all times during flight training.

Maintenance shops are always a good source for consistent billing, and are the easiest to forecast profitability due to prior history and annual inspections that come due. Having an up-sell mentality here is something that we/us in aviation don't know how to do at all or do very well. Paint shops and interior shops usually do very well, but they need marketing to make it work.

All too often we try to start a business on the advice of someone who has limited experience conducting business, but has a passion for aviation. I understand that passion will breed excellence and excitement, but that emotion doesn't last very long after long hours of work and nothing to show for it. More often than not, the best solution is to step up to the plate with someone who is big in aviation business development type, that so happens to have an interest in aviation.

# Will CASA Ever Consider NZ's Aviation Regulatory System?

We now know that the [MoU](#) signed by DPM John Anderson in Yr 2000 gave false hopes to the non airline aviation industry that we would have a compatible aviation system with NZ. Whilst the industry has witnessed a continual change in government and management of CASA, the dream of having an Australasian compatible regulatory system no longer exists.

Before any consideration be given to harmonisation with NZ we should look at the Singapore ICAO compliant aviation regulatory system.

The CAA (Singapore) promulgates requirements in the same manner as EASA and FAA issues "regulations" that are consistent with ICAO SARPs. So why can't CASA do the same?

## *Civil Aviation Act*

### *Section 9 CASA functions.*

*(1) CASA has the function of conducting the safety regulation of the following, in accordance with this Act and the regulations:*

*(a) civil air operations in Australian territory;*

*(b) the operation of Australian aircraft outside Australian territory;*

*(ba) ANZA activities in New Zealand authorised by Australian AOCs with ANZA privileges;*

*by means that include the following:*

*(c) developing and promulgating appropriate, clear and concise aviation safety standards;*

ICAO produces Standards and Recommended Practices that EASA & FAA implement by promulgating Regulations. (EASR & FARs)

So CASA has the legal instrument to do the same — '*develop and promulgate clear and concise aviation safety standards*'.

It is possible to adopt a model where a CASR enables CASA to promulgate clear and concise aviation safety standards for a specific CASR Part.

Canada adopts a similar approach. Their Regulations provide a head of power for Transport Canada to promulgate clear and concise aviation safety standards.

*Standards And Recommended Practices (SARPs) are technical specifications adopted by the Council of ICAO in accordance with Article 37 of the Convention on International Civil Aviation in order to achieve "the highest practicable degree of uniformity in regulations, standards, procedures and organization in relation to aircraft, personnel, airways and auxiliary services in all matters in which such uniformity will facilitate and improve air navigation".*

Basically, Article 37 is designed to keep aviation regulatory systems 'global' and in compliance with ICAO SARPs.

## Is there a solution?

The non airline sector believes that the Civil Aviation Act enables a regulatory system to be implemented where the CASR provides a 'head of power' for standards to be promulgated by CASA with the following conditions:

- Standards must be consistent with ICAO SARPs; and
- Consistent with FARs; and
- Must have minimal differences with NZ standards.

For example, CASR Part 43 should state that CASA must promulgate standards, for the non airline sectors, governing the maintenance of any: (FAR Part 43 Applicability)

*(1) Aircraft having a Part 47 certificate;*

*(2) Foreign-registered civil aircraft used in Part 121 or 135 ; and*

*(3) Airframe, aircraft engines, propellers, appliances, and component parts of such aircraft.*

*(b) This part does not apply to—*

*(1) Any aircraft that has been issued with an experimental certificate, unless the aircraft has previously been issued with a different kind of airworthiness certificate for that aircraft; or*

*(2) Any aircraft that has been issued an experimental certificate under the provisions of § 21.191 (i)(3), and the aircraft was previously issued a special airworthiness certificate in the light-sport category under the provisions of § 21.190.*

*(c) This part applies to all life-limited parts that are removed from a type certificated product, segregated, or controlled as provided in CASA standard 43.10.*

*(d) This part applies to any aircraft issued a special airworthiness certificate in the light-sport category except:*

*(1) The repair or alteration form specified in CASA Standard 43.5(b) and 43.9(d) is not required to be completed for products not produced under a CASA approval;*

*(2) Major repairs and major alterations for products not produced under an CASA approval are not required to be recorded in accordance with appendix B of CASA Part 43 Standard; and*

*The listing of major alterations and major repairs specified in paragraphs (a) and (b) of appendix A of CASA Part 43 Standard is not applicable to products not produced under a CASA approval.*

Add to the proposed CASR Part 43 above that the CASA standards must be consistent with ICAO SARPs; consistent with FARs; and must have minimal differences with NZ requirements.

How quick regulatory development would be if this process was adopted.

## \* Become a Member \*

The adage "there is strength in numbers" is absolutely true when it comes to influencing government regulations and policy. No one company, no matter how big or successful, can keep up on all the regulatory issues directly impacting businesses.

AMROBA is dedicated to serving the businesses that are responsible for the in-service continuing airworthiness of aircraft and aeronautical products, including the manufacture of replacement parts for in-service aircraft. This segment of the industry has never had a dedicated advocate until now.

AMROBA membership form is available from the AMROBA website: <http://amroba.org.au/become-a-member/>

print the membership form [http://amroba.org.au/index.php/download\\_file/view/15/](http://amroba.org.au/index.php/download_file/view/15/)



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## A slow poison—Bullying

AMROBA has taken seriously concerns with the 'bullying' attitude of some of CASA field staff that is having a harmful effect on our members health.

The Federal government has just released a report November 2012 into workplace bullying.

The Report identifies individual characteristics displayed by some CASA staff when they are dealing with small business personnel.

Bullying creates stresses, stressed persons make mistakes, aviation safety should concentrate on lowering stress.

Behind the alarming statistics on workplace bullying are personal stories of grief and hardship, revealed during a parliamentary inquiry. (2012)

"We just want it to stop", is available at [Report Workplace Bullying](#)

"Identified Stress factors

- The highest prevalence of bullying comes from four different industries: public administration, education, health and defence.
- The most common form of mistreatment is around verbal abuse: shouting, swearing, malicious sarcasm and intimidating behaviours.
- One in two people who experience bullying then suffer an extreme version of a stress related complication: stomach ulcers, tachycardia, hair loss, dermatitis, panic attacks or irritable bowel syndrome.

• Over 70 per cent of the perpetrators of workplace bullying are deemed to be managers, yet managers are often protected in the process.

• Inadvertent bullying can happen where people are demonstrating bullying behaviours because they are inexperienced, they are untrained, they are unsupported or they are emulating the behaviour of others whom they see are successful in the organisation.

• In almost 50 per cent of cases, the bullying behaviour has gone on for more than a year.

• Around one in five people do not have faith in the complaint process – whatever that complaint process looks like.

• 90 per cent of people being bullied make the comment: 'I just want it to stop.' They don't want to go down a formal path, but just want the behaviour to stop.

• Stopping the bullying behaviour needs to be the end goal.

• About 30 per cent of bullying occurs in 'mobbing' where the behaviour is carried out by more than one person.

• An apology can go a long way in dealing with bullying, but an apology is useless if the behaviour does not change.

• It's rare to see 'contributing to creating a dignified and respectful workplace' as part of the core competencies of training for a manager."

Based on data collected from 5,200 bullying cases in Australia. Source: Davidson Trahaire Corpsych

## The Aircraft Maintenance Engineers/Technician Creed

### Worth Remembering

"UPON MY HONOR I swear that I shall hold in sacred trust the rights and privileges conferred upon me as a qualified aircraft maintenance engineer/technician. Knowing full well that the safety and lives of others are dependent upon my skill and judgment, I shall never knowingly subject others to risks which I would not be willing to assume for myself, or for those dear to me.

IN DISCHARGING this trust, I pledge myself never to undertake work or approve work which I feel to be beyond the limits of my knowledge nor shall I allow any non qualified superior to persuade me to approve aircraft or equipment as airworthy against my better judgment, nor shall I permit my judgment to be influenced by money or other personal gain, nor shall I pass as airworthy aircraft or equipment about which I am in doubt either as a result of direct inspection or uncertainty regarding the ability of others who have worked on it to accomplish their work satisfactorily.

I REALIZE the grave responsibility which is mine as a qualified aircraft maintenance engineer/technician, to exercise my judgment on the airworthiness of aircraft and equipment. I, therefore, pledge unyielding adherence to these precepts for the advancement of aviation and for the dignity of my vocation."